Congress of the United States Washington, DC 20515

July 14, 2008

The Honorable James Peake Secretary Department of Veterans Affairs 810 Vermont Ave., N.W. Washington, DC 20420

Dear Secretary Peake:

We write to express our disappointment and grave concern with the conduct of the Department of Veterans Affairs (VA) with respect to the ongoing Fitzsimons veterans' hospital project in Aurora, Colorado. Based on information that came to light last week, we understand the VA completed a design for the new hospital and related facilities as early as January 2008, and that plan was presented internally to the VA. It appears the VA has purposely withheld this critical design information for the project from the Colorado Congressional delegation, Colorado veterans, and the public.

It has now been four years since the Department of Veterans Affairs completed a comprehensive review of its infrastructure needs and concluded that constructing a replacement hospital in Denver for veterans was a major priority for the VA. Congress approved the recommendations reached by the VA through its Capital Asset Realignment for Enhanced Services (CARES) process and began to provide funding for the construction of a new stand-alone veterans' hospital at the Fitzsimons campus.

Since 2004, the VA has been slow to proceed at Fitzsimons. As a result, total cost estimates for the project have increased dramatically, and the completion date has been repeatedly delayed. During all of this time, Colorado's veterans' groups and the Colorado Congressional delegation have worked to help the VA overcome hurdles the Department claims are slowing the project. We helped facilitate negotiations between stakeholders, delivered the requested statutory authorization for land purchases and exchanges, and secured \$168.3 million in funding for the project through the Congressional appropriations' process. We worked closely with three Secretaries of the VA – Secretary Principi, Secretary Nicholson, and now Secretary Peake. At each step, we were assured that a Master Plan for the hospital was in the process of being formulated and that the VA shared our and the veterans' groups' commitment to constructing a stand-alone hospital and health care facility at Fitzsimons in keeping with the Department's 2004 CARES recommendations.

On April 23, 2008, you presented to us a new plan for the Fitzsimons hospital that was substantially different from the plan approved by Congress and recommended by the CARES Commission. We listened to your proposal with interest and have, for the last three months, been seeking additional details. During all of this time, while we were being presented with pieces of the VA's new plan we were never informed that the VA already spent over \$4 million dollars for planning and design, resulting in a final plan for the original CARES-recommended VA facilities at Fitzsimons.

According to this information that has recently come to our attention, the VA does in fact have a Master Plan for the original CARES-recommended Fitzsimons project. It is our understanding that, unbeknownst to us or to any veterans' groups, the VA received the final version of this plan in January 2008. If true, this willful withholding of information is highly questionable and inexcusable.

Due to the gravity of this situation, we believe it demands your immediate and personal attention. We call on you to please make available to us and to all veterans' groups in Colorado the January 2008 Master Plan for the CARES project, so we can examine its details and cost. We expect you will provide it to us no later than Friday, July 18.

Furthermore, until the aforementioned matters are resolved, we ask for the VA to cease all activities pertaining to the design and implementation of the current scaled-down plan. It is our expectation this will include, but may not be limited to, any further negotiations with outside entities and interests with respect to the latest design proposal.

We appreciate your attention to the concerns raised in this letter and we look forward to your swift response.

Sincerely,

Ken Salazar

United States Senator

Ed Perlmutter

Member of Congress